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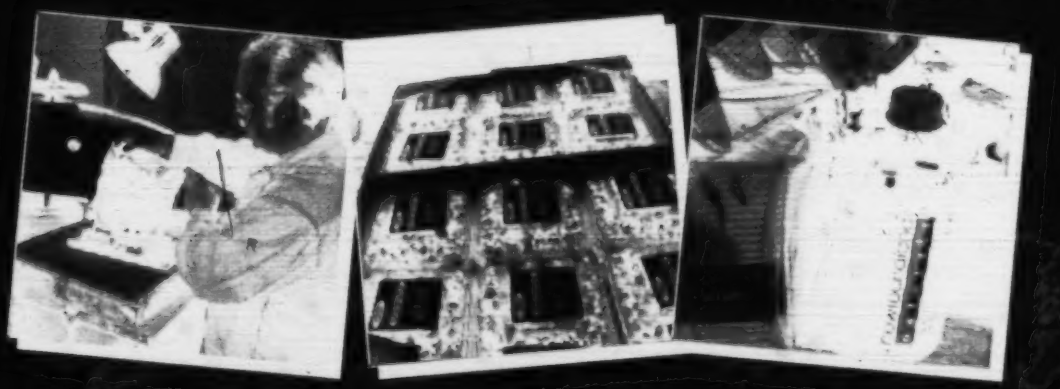
Boston Trade Mission yields success ...again!



Building on a well-laid foundation that promises potential, not only for the companies that participate, but for companies who want to export to the New England states in the future is just one benefit gained from the Department of Industry, Trade and Rural Development's multi-sector trade missions to New England.

The goal of the department's New England Trade and Investment Initiative is to help Newfoundland and Labrador companies enhance international trading ties with the New England states and encourage New England companies to establish a presence in Newfoundland and Labrador.

"In many cases, sales and deals develop in the weeks and months following a trade mission. Many companies which participate in these initiatives take a long term view and focus on identifying opportunities, distribution channels or sales agents," said Industry, Trade and Rural Development Minister Kelvin Parsons.

The latest trade mission was to Boston and took place October 21-25, 2002. It has already generated significant rewards for several of the Newfoundland and Labrador companies that participated.

"Many companies which participate in these initiatives take a long term view and focus on identifying opportunities, distribution channels or sales agents, but early results are always very encouraging," Minister Parsons said.

One example of immediate success is Neptune Leatherworks of Freshwater. The company interviewed several potential sales representatives who wish to represent their hand-stitched gloves and other leather products in the New England market, and sold products to two retailers in the Boston area while on the mission.

"The fact that we did pick up some accounts, I believe, indicates the potential for success in this market. We met with reps, shop owners, and other manufacturers. We generated two well-placed orders and also agreed to market test a small consignment selection on Newbury Street, an exclusive retail location in Boston," said Annette Reichel of Neptune.

In this edition of the Ambassador newsletter, we profile two other companies who met with success during the last trade mission to the New England area: Bayshore Enterprises and Newfoundland Naturals.

Newfoundland Naturals - managing growth and success

www.newfoundlandnaturals.com

Ken Parsons is working on, in and around several piles of boxes. He explains that it's not usually so messy, as he points out the window toward a new building under construction two doors up the street on Topsail Road in Paradise.

For Parsons, it's about small steps. The new building will be the new, bigger home of his Newfoundland Naturals, a company built from Parsons' basement operation into an international success.

Parsons might be considered a Renaissance man – always looking for new challenges, always in different arenas. The latest incarnation began in 1997 when the former magician and sign language interpreter was looking for a shaving soap that didn't irritate his skin. He searched the Internet and found a few recipes. After many attempts and several months he finally created a great shaving soap that doubled as a moisturizing hand soap. "Making soap is a lot like growing broccoli," Parsons explained. "You get so much of it you have to start giving it away." When family and friends came looking for more, Newfoundland Naturals was born.

The progression from basement to manufacturing facility has been a positive experience for Parsons. The steady progress of his company means Newfoundland Naturals products are available now in about 500 stores from St. John's to Nunavut. The company is also exporting to the United States as a result of contacts made at wholesale gift shows, through their retail web site, and their success at a recent trade mission to New England.

There are now more than 100 Newfoundland Naturals products available. All hand-crafted in Paradise – now there's a sales pitch – products range from bath oil blasts to votive candles with fragrances like Port Rexton Partridgeberry and Blueberry Jam Bread. Parsons says the product lines have grown to include bath salts, bath mitts, soap dishes, shaving kits.

Iceberg, Newfoundland Naturals' signature fragrance, has established the company as an innovator in the body and bath industry. Parsons describes it as a fresh water aroma with light fruity notes. The unique subtle fragrance combined with the exotic name has become Newfoundland Naturals' number one seller.

The trade mission to New England may mean taking a few giant leaps as 'Parsons the entrepreneur' evolves into 'Parsons the manufacturer.'

"We're still growing from a small company into a big one. I have to get out of the mentality that I'm still in my basement operating my business for two or three clients around town." Parsons explained. "It's not an easy mindset to get out of, I've never been a manufacturer. I've never had to concern myself with facilities and plant layout, cash flow and hiring people. And if I have to take ten years to be an overnight success, then so be it."

As a result of the trade mission, the company made an initial sale to Natural Frontier Market, an all-natural, health and food store with locations in Massachusetts and New York.

"Understanding the subtle cultural and market differences between Canada and the United States is certainly a key to export success and this mission provided the opportunity to experience those differences first-hand," Parsons said.

Ken Parsons

Lately, Parsons' attention is focused on private labeling, branding and marketing to build sales in non-traditional retail areas, all while he readies to introduce his newest product, an all-natural bug spray.

'Bite Me' may be a little outside his normal product line, but it reflects the down-to-earth charm and good humor that's been key to Parsons' success. 'Bite Me' is an all-natural bug spray that Parsons says will be as at home in the handbag as it will be in the outdoorsman's backpack. "It will more than likely be the only bug spray that will make a good Christmas present in 2003, you can buy it for any family member," Parsons said.

The learning process, and growing his own business delights Parsons. He takes pleasure in learning new production techniques, learning how to do business and employing people. As he says to would-be entrepreneurs, "Live and learn, don't give up, and though you'll be busy, don't forget to have fun." •

Awards Spotlight Economic Development

They're the unsung heroes of economic development in Newfoundland and Labrador, a group whose efforts to develop prosperity at the community level often go unnoticed - until recently.

On October 19th, 2002, Industry, Trade and Rural Development Minister Kelvin Parsons presented the province's second annual Community Economic Development Awards in Port aux Basques at a gala event. "The award winners are tremendous leaders in their respective fields," said Minister Parsons in congratulating the seven award recipients.

The awards recognize and celebrate the accomplishments of individuals and organizations that have excelled as leaders in community economic development in Newfoundland and Labrador.

"They play leading roles in community economic development in the province. They don't seek the spotlight. The only reward they seek is the economic betterment of their communities and our province," Minister Parsons said. "Our province is very fortunate to have legions of individuals and organizations who play active and productive roles in economic development at the community level."

Charlie Ennis of Baie Verte received the Outstanding Individual Achievement Award that recognizes the contribution of an individual to community economic development.

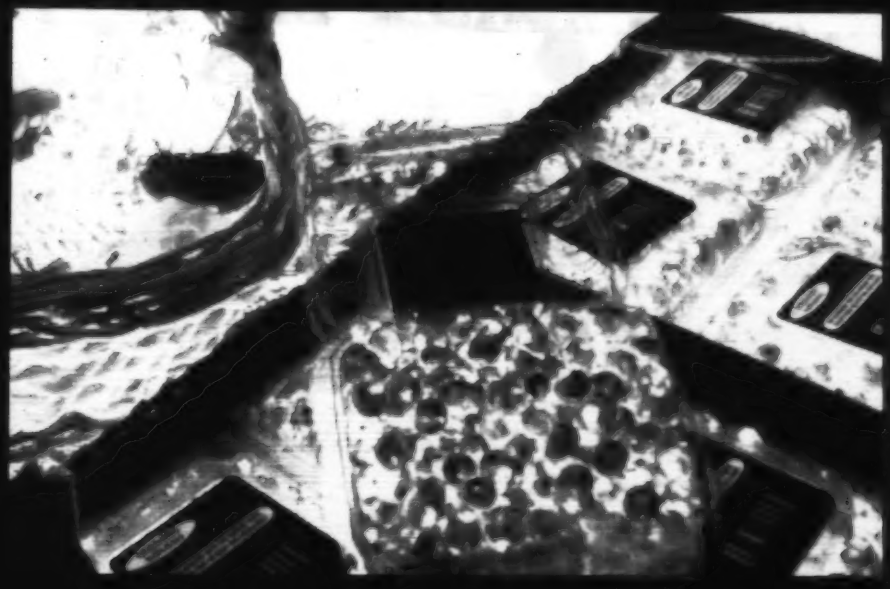
The Genesis Centre in St. John's took home the Excellence in Fostering Entrepreneurship Award that recognizes an organization's or an individual's effort to promote, mentor and/or foster entrepreneurship at the community level.

The Eagle River Credit Union of Labrador won the Excellence in Partnerships Award that recognizes exceptional efforts and achievements of organizations working together to achieve positive results in community economic development.

The youth organization FINALY! (Futures in Newfoundland and Labrador's Youth) won the Excellence in Youth Leadership Award. This award recognizes a young person or a youth group that has demonstrated exceptional initiative, visibility, leadership and success in engaging youth in community economic development.

The Labrador West Centre for Interactive Learning in Labrador City received the Innovation in Education Award that recognizes exceptional efforts and achievements of an individual or group in bringing together education and community economic development programs and activities for the betterment of their communities.

In a new category added this year, Lifetime Achievement Awards were presented to the Fogo Island Co-operative Society and to the late Ambrose Chubbs of St. Lewis in Labrador. This award recognizes an individual or organization whose work has made a lasting contribution to the economic development of a community or whose work over an extended period has consistently empowered people to foster economic growth at the community level. •



Bayshore Enterprises - fresh, hand-picked exports

He doesn't fit the typical mold of aggressive entrepreneur. He's not exactly the spitting image of an international businessman either.

Think grandfatherly. This is Wallace Budden.

Behind his smiling eyes, and behind the little house that sits on the main road leading through Salmon Cove in Conception Bay North on the Bay de Verde Peninsula, is Bayshore Enterprises.

Sitting in his living room, Budden recounts how he entered the blueberry business 12 years ago.

"Our family has been in the blueberry business at least all my life," Budden explained. "Seventy-five years ago, my father shipped blueberries from Salmon Cove. He would make his own wooden boxes and send the berries to St. John's by train."

Years later, Budden would retire from the electronics repair business to revive an old family business, selling fresh handpicked blueberries.

Wallace Budden

It's not his father's business Budden has taken on, but the similarities are there. He still hires local workers to pick and package blueberries from the same barren lands in the Conception Bay North area, but the operation and the market for his product have gotten somewhat larger.

Bayshore Enterprises groups hundreds of half-pint containers on a single palette. The palettes are loaded on trucks that carry the fresh product to St. John's where they're loaded on planes and shipped to distributors in Atlantic Canada and Ontario. "Handpicked, wild Newfoundland blueberries, in the hands of local distributors in Toronto, in 18 hours," Budden explained. That is the business of fresh blueberries.

Commercial farming of blueberries is a reviving area of the agrifoods industry in Newfoundland and Labrador. The Department of Forest Resources and Agrifoods pegs the provincial wild and cultivated blueberry production in 2001 at 860,000 pounds involving some 22 producers.

Bayshore serves a niche clientele, unlike the millions of pounds of blueberries produced each year in Atlantic Canada and Maine primarily for the secondary processing market. The industry is expanding as infrastructure is put in place to support growing commercial operators.

About 95 per cent of the wild berries produced in Newfoundland and Labrador are picked from barren lands around the province versus large commercial cultivated operations on the mainland. A Blueberry Development Corporation was formed in 2000, to invest $1.4 million in a cooperative effort to introduce modern commercial farming practices in an industry where farmers operate at different stages of development.

Compared to the larger cultivated crops produced on the mainland, the wild blueberry business isn't exactly high-tech. The process is fairly simple: farmers burn acres of barren land every few years, knowing that the first foliage to reappear will be the blueberry bushes. The burning is required to promote new vigorous plant growth, which is more productive.

In 2002, Bayshore Enterprises employed 21 people to complete orders during the short but labour-intensive season that runs from August to October.

Newfoundland's late season is one reason for the growing popularity of fresh blueberries. They are harvested later than strawberries and raspberries, Budden says, making them the only fresh berries on store shelves into the fall months.

"The freshest blueberries in the world, loaded with anti-oxidants," Budden says as he samples a batch. "The potential for exporting them from Newfoundland is great. I can sell whatever I can produce."

Bayshore Enterprises is readying for the 2003 season. In November, Budden participated in a Newfoundland and Labrador trade mission to New England, where he met with a dozen distributors and supermarket chains in the Boston area who were interested in wild Newfoundland blueberries and partridgeberries.

To handle any new business, Budden will need more fresh berries from more land than the 124 acres he currently farms each season. Plans for Bayshore Enterprises include buying fresh product from the 10 or more producers in the Conception Bay North area. •

Did You Know

The Brookfield Dairy Group of St. John's has been presented with the President's Choice Innovative Supplier of the Year award by Loblaw Brands Limited for outstanding achievement in product innovation for two of its new ice cream products. Brookfield, the past winner of two provincial export awards, is doing business with several major retailers across Canada but also sends products to the United States, the Caribbean, Indonesia, Singapore and South Africa.

Clothing designer and manufacturer Karen Pottle has won a major national fashion award. The St. John's businesswoman and owner of Exploits Design Inc. was one of 25 Canadian designers who received awards in Toronto from the Matinee Fashion Foundation. The Matinee Fashion Foundation was established in 1992 to acknowledge and provide financial support to talented Canadian fashion designers.

A Conception Bay North company that plans to establish a manufacturing facility in Shearstown has received double EDGE status. Can-Am Stageline Incorporated designs and manufactures mobile stages for use in outdoor theatrical and musical events. Its 24 by 32 foot mobile stage includes a dressing room, bathroom and sound monitoring room, yet folds down so that it can by towed behind a transport truck. The company's goal is to produce mobile stages with shorter setup and breakdown times, at lower costs than traditional units. Its target sales area is the United States marketplace.

The EDGE program was recently enhanced to provide additional incentives to companies that establish or expand in rural areas. It also includes a new 50 per cent rebate on federal corporate income tax in addition to the existing 100 per cent rebate on provincial corporate income tax and municipal taxes. Double EDGE also increases the tax holiday period for companies establishing or expanding outside the Northeast Avalon region to 15 years from 10 years.

thedog8it! Inc. takes big bite out of Big Apple

What ranks second highest in the world in terms of food category sales? "The answer is easy," said thedog8it! Inc., president and chief executive officer, Deborah Sheppard. "Pet food!"

Ms. Sheppard's company was one of 42 that participated in the Team Canada Atlantic trade mission to New York in November. "We have had some very successful meetings and signed contracts with some high-end companies that specialize in providing quality products for dog owners," explained Ms. Sheppard. "The key component was to have the opportunity to present our products to these retailers, discuss with them the quality ingredients that go into the products and then negotiate a competitive price."

thedog8it! Inc., is a "bakery for dogs" manufacturing ultra-premium dog cookies that are marketed to high-end specialty pet food suppliers, pet super stores and private label clientele. Their products lines are made from only the finest natural and organic ingredients and do not contain chemicals, fillers or preservatives.

"This is an example of an Atlantic Canadian company recognizing a niche in a market and filling it," said Gerry Byrne, Minister of State for the Atlantic Canada Opportunities Agency (ACOA). "It proves that having access to more than your own backyard can really make a difference for small and medium-sized Atlantic Canadian businesses."

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Also, look for more information about businesses and doing business in this province on our new website, www.ambassador.nf.ca. There you'll find all the information you need to promote the good things happening throughout Newfoundland and Labrador.

Provincial Trade Missions and Exhibitions

Event	Location	Date	Contact	Phone
Atlantic Craft Trade Show (ACTS)	Halifax, NS	February 1 - 3	Heather Stone	729-7132
Americana (Pan-Am Environmental Trade Show	Montreal, PQ	March 19 - 21	Darrell O'Neill	729-0680
Flat Out Conference, Newfoundland Association of Technical Industries	St. John's, NL	TBA	Elaine Terry	772-7386
Provincial Wholesale Craft Trade Show	St. John's, NL	April 7 - 8	Heather Stone	729-7132
Newfoundland and Labrador Stone Symposium	Grand Falls-Windsor, NL	TBA	Dave Evans	292-4073
Team Canada Multi-Sector Trade Mission	Western Europe	TBA	Bob Norman	729-0598
CoreNet Global	Toronto, ON	May 3 - 7	Maria Yablon	729-4936
Offshore Technology Conference	Houston, TX	May 5 - 8	Clyde Woodward	729-5064
Team Canada Atlantic Multi-Sector Trade Mission	Washington, DC	TBA	Jonathan Brockway	729-5680

Newfoundland & Labrador Canada
Department of Industry, Trade and Rural Development

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